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UNITED STATES DISTRICT COURT

FOR THE SOUTHERN DISTRICT OF CALIFORNIA

PULSE~LINK INCORPORATED, Plaintiff, v. TZERO TECHNOLOGIES, INCORPORATED, Defendant.	CASE NO. 07 CV 2407 JAH AJB **Electronic Case Filing** **TZERO'S ANSWER TO PULSE~LINK'S COMPLAINT FOR DAMAGES AND INJUNCTIVE RELIEF**

Defendant Tzero Technologies, Incorporated ("Tzero") hereby answers the Complaint for Damages and Injunctive Relief ("Complaint") filed by Plaintiff Pulse~Link Incorporated ("Pulse~Link") as follows:

I.
THE PARTIES

1. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 1 of the Complaint and, on that basis, denies the allegations.

2. Tzero admits the allegations of paragraph 2 of the Complaint.

3. Tzero admits the allegations of paragraph 3 of the Complaint.

II.
JURISDICTION AND VENUE

4. Tzero admits that Pulse~Link alleges an action for, *inter alia*, false and deceptive advertising arising under the Lanham Act § 43(a). Tzero further admits that original jurisdiction over the federal law claim and supplemental jurisdiction over the state law claims are vested in this Court. Except as specifically admitted, Tzero denies the remaining allegations of paragraph 4 of the Complaint.

5. Tzero admits that venue is proper in this district and that Tzero has advertised and conducted business in this district. Except as specifically admitted, Tzero denies the remaining allegations in paragraph 5 of the Complaint.

III.
GENERAL ALLEGATIONS

6. Tzero denies the allegations in paragraph 6 of the Complaint.

7. Tzero admits that it is in the market of delivering wireless solutions to the home allowing consumers to eliminate the cost and complexity of hard wired connections using UWB technology. Except as specifically admitted, Tzero lacks sufficient information on which to admit or deny the remaining allegations of paragraph 7 of the Complaint and, on that basis, denies the allegations.

8. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 8 of the Complaint and, on that basis, denies the allegations.

9. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 9 of the Complaint and, on that basis, denies the allegations.

10. Tzero denies the allegations in paragraph 10 of the Complaint.

11. Tzero denies the allegations in paragraph 11 of the Complaint.

IV.
FACTUAL BACKGROUND

A. "Pulse~Link is the True Pioneer of Ultra-Wideband Technology over Coaxial Cables, and Not Tzero"

12. Tzero denies the allegations in paragraph 12 of the Complaint.

13. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 13 of the Complaint and, on that basis, denies the allegations.

14. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 14 of the Complaint and, on that basis, denies the allegations.

15. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 15 of the Complaint and, on that basis, denies the allegations.

16. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 16 of the Complaint and, on that basis, denies the allegations.

17. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 17 of the Complaint and, on that basis, denies the allegations.

18. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 18 of the Complaint and, on that basis, denies the allegations.

19. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 19 of the Complaint and, on that basis, denies the allegations.

20. Tzero admits that Pulse~Link gave Tzero employees a presentation of Pulse~Link's UWB solution and chipset at the Parks Connection Conference. Except as specifically admitted, Tzero lacks sufficient information on which to admit or deny the remaining allegations of paragraph 20 of the Complaint and, on that basis, denies the allegations.

21. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 21 of the Complaint and, on that basis, denies the allegations.

22. Tzero denies that it declined to submit technology to 1394-TA for validation. Except as specifically admitted, Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 22 of the Complaint and, on that basis, denies the remaining allegations.

23. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 23 of the Complaint and, on that basis, denies the allegations.

24. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 24 of the Complaint and, on that basis, denies the allegations.

25. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 25 of the Complaint and, on that basis, denies the allegations.

26. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 26 of the Complaint and, on that basis, denies the allegations.

B. "There Is No Industry Standard for UWB-Over-Coax or Wireless HDMI Contrary to Tzero's False and Misleading Claims."

27. Tzero denies the allegations in paragraph 27 of the Complaint.

28. Tzero denies the allegations in paragraph 28 of the Complaint.

29. Tzero admits that Exhibit 2 to the Complaint states that "[u]nlike proprietary offerings, Tzero's platform is based on standards from the WiMedia Alliance and is guaranteed to co-exist with other WiMedia-compliant devices." Except as specifically admitted, Tzero denies the remaining allegations in paragraph 29 of the Complaint.

30. Tzero admits that Exhibit 3 of the Complaint states that a "demo of HANA multi-room connectivity using 1394 over (WiMedia standard) UWB over coax." Except as specifically admitted, Tzero denies the remaining allegations in paragraph 30 of the Complaint.

31. Tzero admits that Exhibit 4 of the Complaint states that "WiMedia is the industry standard." Except as specifically admitted, Tzero denies the remaining allegations in paragraph 31 of the Complaint.

32. Tzero admits that Exhibit 5 of the Complaint states that "Now, Tzero's ZeroWire chipset gives both CE manufacturers and service providers a standards-based solution that can cover the whole home . . . No other chipset provides this capability." Except as specifically admitted, Tzero denies the remaining allegations in paragraph 32 of the Complaint.

33. Tzero admits that Exhibit 6 of the Complaint states that "[c]ompliance with industry standards is mandatory" and that "[c]ompatibility with the ultra wideband standard, as defined by WiMedia Alliance, is a critical purchase criterion." Except as specifically admitted, Tzero denies the remaining allegations in paragraph 33 of the Complaint.

34. Tzero denies the allegations in paragraph 34 of the Complaint.

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C. **"Tzero Unfairly Targets Pulse~Link with Attacks on its Technology and 'Proprietary' Offerings."**

35. Tzero denies the allegations in paragraph 35 of the Complaint.

36. Tzero denies the allegations in paragraph 36 of the Complaint.

37. Tzero denies the allegations in paragraph 37 of the Complaint.

38. Tzero denies the allegations in paragraph 38 of the Complaint.

39. Tzero admits that Exhibit 7 of the Complaint states that "Non-standard communications by devices result in interference and chaos, and greatly reduce the likelihood of widespread adoption"; "Every year, retailers [to] receive more than $15 billion in returns because of problems like this"; and "[w]ith nearly 300 companies soon to ship WiMedia standard-compliant products . . . you can understand the magnitude of the problem that could be created by even one non-standard product." Except as specifically admitted, Tzero denies the remaining allegations in paragraph 39 of the Complaint.

40. Tzero admits that Exhibit 6 of the Complaint states that "[n]on-standard, proprietary products will cause interference, won't work, and will drive returns of both the accessories themselves, and of other products that use Certified Wireless USB and Bluetooth 3.0 (also based on the WiMedia standard)"; "tens of millions of WiMedia-compliant solutions being shipped by Intel, AMD and hundreds of other leading manufacturers will suffer from this negative impact, adding to your reverse logistics problem"; and,"[c]ompliance with industry standards is mandatory." Except as specifically admitted, Tzero denies the remaining allegations in paragraph 40 of the Complaint.

41. Tzero denies the allegations in paragraph 41 of the Complaint.

D. **"Despite its Knowledge of Pulse~Link's Pioneering Status and Long Established UWB Solution, Tzero Falsely Claims That It Developed the Industry's First, Only and Highest Performing UWB Solution."**

42. Tzero denies the allegations in paragraph 42 of the Complaint.

43. Tzero denies the allegations in paragraph 43 of the Complaint.

44. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 44 of the Complaint and, on that basis, denies the allegations.

45. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 45 of the Complaint and, on that basis, denies the allegations.

46. Tzero denies the allegations in paragraph 46 of the Complaint.

47. Tzero admits that Tzero is aware of Pulse~Link. Except as specifically admitted, Tzero denies the remaining allegations in paragraph 47 of the Complaint.

48. Tzero admits to attending the Parks Connections Conference on or around May 2006 and seeing a demonstration of Pulse~Link's UWB solution. Except as specifically admitted, Tzero denies the remaining allegations in paragraph 48 of the Complaint.

49. Tzero admits that Exhibit 8 of the Complaint states that "Industry's first and highest performing solution that delivers broadcast quality video over wireless networks"; "Tzero Unveils the Industry's First Wireless Solution that Delivers Broadcast-Quality Video"; and, "[t]oday, only the Tzero TZ 7000 chipset solution has non-line-of-site operation, which enables devices to communicate wirelessly through walls to extend across multiple rooms." Except as specifically admitted, Tzero denies the remaining allegations in paragraph 49 of the Complaint.

50. Tzero admits that Exhibit 9 of the Complaint states that "Tzero is the only company now delivering a high bandwidth solution that can easily handle multiple video streams and deliver them throughout a home." Except as specifically admitted, Tzero denies the remaining allegations in paragraph 50 of the Complaint.

51. Tzero admits that Exhibit 10 of the Complaint states that "Unlike other offerings, Tzero's UWB is the only technology that can function wirelessly and over existing home wiring to create a whole home entertainment network." Tzero further admits that Exhibit 5 of the Complaint states that "New ZeroWire Solution Delivers Wired and Wireless Performance More Than 2X Greater Than Competing Technologies". Except as specifically admitted, Tzero denies the remaining allegations in paragraph 51 of the Complaint.

52. Tzero denies the allegations in paragraph 52 of the Complaint.

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E. "Tzero Has Done Everything In Its Power to Block the 1394-TA Standards Body From Adopting a 1394-Over Coax Standard Incorporating Pulse~Link's UWB Technology."

53. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 53 of the Complaint and, on that basis, denies the allegations.

54. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 54 of the Complaint and, on that basis, denies the allegations.

55. Tzero admits that it did not submit technology to the 1394-TA in early 2006. Except as specifically admitted, Tzero lacks sufficient information on which to admit or deny the remaining allegations of paragraph 55 of the Complaint and, on that basis, denies the allegations.

56. Tzero admits that, prior to April 2007, it did not submit technology to the 1394-TA. Tzero lacks sufficient information on which to admit or deny the remaining allegations of paragraph 56 of the Complaint and, on that basis, denies the allegations.

57. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 57 of the Complaint and, on that basis, denies the allegations.

58. Tzero denies the allegations in paragraph 58 of the Complaint.

F. "Tzero Has Systematically Targeted and Interfered with Pulse~Link's Business"

59. Tzero denies the allegations in paragraph 59 of the Complaint.

60. Tzero denies the allegations in paragraph 60 of the Complaint.

61. Tzero denies the allegations in paragraph 61 of the Complaint.

FIRST CAUSE OF ACTION
False Description and Misrepresentation
(Section 43(a) of the Lanham Act, 15 U.S.C. § 1152(a))

62. Tzero incorporates its responses to the allegations in paragraphs 1 through 61, inclusive, as though fully set forth herein.

63. Tzero denies the allegations in paragraph 63 of the Complaint.

64. Tzero denies the allegations in paragraph 64 of the Complaint.

65. Tzero denies the allegations in paragraph 65 of the Complaint.

66. Tzero denies the allegations in paragraph 66 of the Complaint.

SECOND CAUSE OF ACTION
Unfair Competition and Deceptive Trade Practices
(Cal. Bus & Prof. Code §§ 17200 et seq.)

67. Tzero incorporates its responses to the allegations in paragraphs 1 through 66, inclusive, as though fully set forth herein

68. Tzero denies the allegations in paragraph 68 of the Complaint.

69. Tzero denies the allegations in paragraph 69 of the Complaint.

70. Tzero denies the allegations in paragraph 70 of the Complaint.

71. Tzero denies the allegations in paragraph 71 of the Complaint.

THIRD CAUSE OF ACTION
Intentional Interference with Prospective Economic Relations

72. Tzero incorporates its responses to the allegations in paragraphs 1 through 71, inclusive, as though fully set forth herein.

73. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 73 of the Complaint and, on that basis, denies the allegations.

74. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 74 of the Complaint and, on that basis, denies the allegations.

75. Tzero denies the allegations in paragraph 75 of the Complaint.

76. Tzero denies the allegations in paragraph 76 of the Complaint.

77. Tzero denies the allegations in paragraph 77 of the Complaint.

78. Tzero denies the allegations in paragraph 78 of the Complaint.

79. Tzero denies the allegations in paragraph 79 of the Complaint.

80. Tzero denies the allegations in paragraph 80 of the Complaint.

81. Tzero denies the allegations in paragraph 81 of the Complaint.

FOURTH CAUSE OF ACTION
Negligent Interference with Prospective Economic Relations

82. Tzero incorporates its responses to the allegations in paragraphs 1 through 81, inclusive, as though fully set forth herein.

83. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 83 of the Complaint and, on that basis, denies the allegations.

84. Tzero lacks sufficient information on which to admit or deny the allegations of paragraph 84 of the Complaint and, on that basis, denies the allegations.

85. Tzero denies the allegations in paragraph 85 of the Complaint.

86. Tzero denies the allegations in paragraph 86 of the Complaint.

87. Tzero denies the allegations in paragraph 87 of the Complaint.

88. Tzero denies the allegations in paragraph 88 of the Complaint.

89. Tzero denies the allegations in paragraph 89 of the Complaint.

90. Tzero denies the allegations in paragraph 90 of the Complaint.

91. Tzero denies the allegations in paragraph 91 of the Complaint.

FIFTH CAUSE OF ACTION
False and Misleading Advertising
(Cal. Bus & Prof. Code §§ 17500 et seq. and common law)

92. Tzero incorporates its responses to the allegations in paragraphs 1 through 91, inclusive, as though fully set forth herein.

93. Tzero denies the allegations in paragraph 93 of the Complaint.

94. Tzero denies the allegations in paragraph 94 of the Complaint.

95. Tzero denies the allegations in paragraph 95 of the Complaint.

96. Tzero denies the allegations in paragraph 96 of the Complaint.

97. Tzero denies the allegations in paragraph 97 of the Complaint.

SIXTH CAUSE OF ACTION
Common Law Unfair Competition

98. Tzero incorporates its responses to the allegations in paragraphs 1 through 97, inclusive, as though fully set forth herein.

99. Tzero denies the allegations in paragraph 99 of the Complaint.

100. Tzero denies the allegations in paragraph 100 of the Complaint.

101. Tzero denies the allegations in paragraph 101 of the Complaint.

102. Tzero denies the allegations in paragraph 102 of the Complaint.

103. Tzero denies the allegations in paragraph 103 of the Complaint.

104. Tzero denies the allegations in paragraph 104 of the Complaint.

SEVENTH CAUSE OF ACTION
Unjust Enrichment/Restitution

105. Tzero incorporates its responses to the allegations in paragraphs 1 through 104, inclusive, as though fully set forth herein.

106. Tzero denies the allegations in paragraph 106 of the Complaint.

107. Tzero denies the allegations in paragraph 107 of the Complaint.

RESPONSE TO PLAINTIFF'S PRAYER FOR RELIEF

Tzero denies that Pulse~Link is entitled to any judgment or award of relief at all, including the judgment and the award of relief requested in the "Prayer" section of the Complaint. Pulse~Link's prayer for judgment and request for relief should be denied in its entirety with prejudice.

1. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 1 of the Prayer in the Complaint.

2. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 2 of the Prayer in the Complaint.

3. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 3 of the Prayer in the Complaint.

4. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 4 of the Prayer in the Complaint.

5. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 5 of the Prayer in the Complaint.

6. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 6 of the Prayer in the Complaint.

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7. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 7 of the Prayer in the Complaint.

8. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 8 of the Prayer in the Complaint.

9. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 9 of the Prayer in the Complaint.

10. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 10 of the Prayer in the Complaint.

11. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 11 of the Prayer in the Complaint.

12. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 12 of the Prayer in the Complaint.

13. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 13 of the Prayer in the Complaint.

14. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 14 of the Prayer in the Complaint.

15. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 15 of the Prayer in the Complaint.

16. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 16 of the Prayer in the Complaint.

17. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 17 of the Prayer in the Complaint.

18. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 18 of the Prayer in the Complaint.

19. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 19 of the Prayer in the Complaint.

20. Tzero denies that Pulse~Link is entitled to any of the relief set forth in paragraph 20 of the Prayer in the Complaint.

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AFFIRMATIVE DEFENSES

Tzero asserts the following affirmative defenses:

FIRST AFFIRMATIVE DEFENSE

Pulse~Link has failed to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

Tzero does not engage and has not engaged in false or deceptive advertising.

THIRD AFFIRMATIVE DEFENSE

Tzero does not engage and has not engaged in unfair competition and deceptive trade practices.

FOURTH AFFIRMATIVE DEFENSE

Tzero does not engage and has not engaged in intentional interference with prospective economic relations.

FIFTH AFFIRMATIVE DEFENSE

Tzero does not engage and has not engaged in negligent interference with prospective economic relations.

SIXTH AFFIRMATIVE DEFENSE

Tzero does not engage and has not engaged in false advertising.

SEVENTH AFFIRMATIVE DEFENSE

Tzero does not engage and has not engaged in common law unfair competition.

EIGHTH AFFIRMATIVE DEFENSE

Tzero's alleged actions herein have not resulted in unjust enrichment.

NINTH AFFIRMATIVE DEFENSE

All or part of Pulse~Link's alleged claims against Tzero are barred by laches.

TENTH AFFIRMATIVE DEFENSE

All or part of Pulse~Link's alleged claims against Tzero are barred by waiver, acquiescence, and/or estoppel.

ELEVENTH AFFIRMATIVE DEFENSE

All or part of Pulse~Link's alleged claims against Tzero are barred by Pulse~Link's unclean hands.

TWELFTH AFFIRMATIVE DEFENSE

All or part of Pulse~Link's alleged claims against Tzero are barred by the doctrines of merger, collateral estoppel, and/or res judicata.

THIRTEENTH AFFIRMATIVE DEFENSE

Pulse~Link's claims for injunctive relief should be dismissed because Pulse~Link can obtain an adequate remedy at law.

FOURTEENTH AFFIRMATIVE DEFENSE

Pulse~Link may lack standing to assert one or more of the claims asserted in Pulse~Link's Complaint.

FIFTEENTH AFFIRMATIVE DEFENSE

One or more of Pulse~Link's claims may be barred by the applicable statute of limitations.

PRAYER FOR RELIEF

WHEREFORE, Tzero Technologies, Inc. respectfully requests that judgment be entered in its favor and against Pulse~Link Incorporated and that the Court grant the following relief:

1. Dismiss with prejudice the Complaint, and each and every claim and count thereof;
2. Enter judgment in favor of Tzero on the Complaint, and each and every claim and count thereof;
3. Award Tzero its costs and reasonable attorneys' fees; and
4. Grant Tzero such other and further relief as this Court deems just and proper.

Dated: February 25, 2008

McDERMOTT WILL & EMERY LLP

By: s/James W. Soong
Terrence P. McMahon
James W. Soong

Attorneys for Defendant
TZERO TECHNOLOGIES, INCORPORATED

PROOF OF SERVICE

I, Jayne E. Milana, declare:

I am a citizen of the United States and am employed in the County of Santa Clara, State of California. I am over the age of 18 years and am not a party to the within action. My business address is McDermott Will & Emery LLP, 3150 Porter Drive, Palo Alto, CA 94304. I am personally familiar with the business practices of McDermott Will & Emery LLP.

On February 25, 2008, following ordinary business practice and pursuant to the Electronic Filing Administrative Policies and Procedures Manual section 2.d, I hereby declare that I electronically filed the

TZERO'S ANSWER TO PULSE~LINK'S COMPLAINT FOR DAMAGES AND INJUNCTIVE RELIEF

with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to Plaintiff's attorneys: John M. Benassi, Matt Lapple and Sam Hellfeld, Heller Ehrman LLP, via the email address: john.benassi@hellerehrman.com. or jbenassi@hewm.com.

I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on February 25, 2008, at Palo Alto, California.

Jayne E. Milana

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